



# **CITY OF SANTA BARBARA**

## **COUNCIL AGENDA REPORT**

**AGENDA DATE:** July 12, 2011

**TO:** Mayor and Councilmembers

**FROM:** City Administrator's Office

**SUBJECT:** General Unit Memorandum Of Understanding Extension And Fiscal Year 2012 Furlough

**RECOMMENDATION:** That Council:

- A. Introduce and subsequently adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Amending the 2008-2010 Memorandum of Understanding Between the City of Santa Barbara and the Santa Barbara City Employees' Association (General Unit), Ordinance No. 5477, to Extend the Term of the Agreement Through September 30, 2012, and to Include a Supplemental Agreement on Labor Concessions;
- B. Adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Amending Resolution No. 11-053 to Reduce the Number of Fiscal Year 2012 Furlough Hours for Confidential Employees, the City Attorney, and the City Administrator; and
- C. Approve a General Furlough Closure Schedule for Certain City Offices.

### **EXECUTIVE SUMMARY:**

Employees in the General Bargaining Unit have agreed to extend their labor agreement for an additional year. As part of the agreement, employees have agreed to take 98 hours of leave without pay (unpaid furlough) during Fiscal Year 2012, and to suspend their vacation cash out benefit.

Under the Equity ("Me too") Clause of the existing MOU with Supervisory employees, the furlough for these employees will be reduced by 17.5 hours. For equity purposes and to reduce the impact of furlough on City services, Staff also recommends that furlough for Confidential employees be reduced to the same level as General employees in Fiscal Year 2012, and that the furlough for managers be reduced by 17.5 hours. The City Administrator has the ability to do this administratively for managers under the existing

salary plans, and the recommended resolution will apply to Confidential employees, the City Administrator, and the City Attorney.

Concessions from the General Bargaining unit amount to \$1,676,701 Citywide in Fiscal Year 2012, with \$823,574 of that accruing to the General Fund. Estimated labor cost savings from non-safety groups of \$1,844,938 were included in the adopted General Fund budget for Fiscal Year 2012. The total savings to the City from these groups, including the recommended reductions in furlough, will be \$3,247,865 Citywide and \$1,564,056 to the General Fund. Staff will return to Council in the next few months with a recommendation for funding the \$280,882 General Fund differential.

## **DISCUSSION:**

### General Unit Agreement

The General bargaining unit is the last City bargaining unit to agree to concessions applicable to Fiscal Year 2012. The General bargaining unit has a valid labor agreement through September 30, 2011, but has voluntarily agreed to extend its agreement for an additional year and to make short-term labor concessions. This will help the City avoid less desirable alternatives, such as implementing layoffs, negotiating permanent compensation decreases, or making significant public service reductions. Staff expects that the union membership will ratify the agreement at their meeting this evening, and that union ratification will be finalized prior to final adoption of this ordinance by Council.

Under the agreement, employees have agreed to take 98 hours of leave without pay (unpaid furlough) during Fiscal Year 2012, and also to suspend their vacation cash-out benefit, which will lead to the equivalent of a 5.15% pay reduction during Fiscal Year 2012.

This will be the third year in a row that these employees, as well as supervisors and non-safety managers, have agreed to pay reductions.

### Effect on Other Bargaining Units

Under the Equity ("Me too") Clause of the existing MOU with Supervisory employees, the furlough for these employees will be reduced by 17.5 hours.

For equity purposes and to reduce the impact of furlough on City services, Staff also recommends that furlough for Confidential employees be reduced to the same level as General employees in Fiscal Year 2012, and that the furlough for managers be reduced by 17.5 hours. The City Administrator has the ability to do this administratively for managers under the existing salary plans, and the recommended resolution will apply the same reduction to Confidential employees, the City Administrator, and the City Attorney.

### Fiscal Year 2012 Furlough Closure Dates

A closure of offices to the public is the most effective way to absorb the unpaid furlough time off and to minimize its effect on operations during the remainder of the year. The attached furlough closure calendar includes two fewer furlough closure days than in Fiscal Year 2011, which itself had two fewer closure days than the year before. Staff recommends that a General Furlough Closure occur on the following dates:

- During the two weeks of the Christmas and New Year's holidays -- This is generally a period with a low level of public contact with most City offices;
- On the Wednesday before the Thanksgiving holiday -- This has also historically been a day with a low level of public contact with the City.

Unlike the Fiscal Year 2010 and 2011 holiday closures, the Main Library will remain open on most of these days in Fiscal Year 2012. Funds have been included in the Fiscal Year 2012 operating budget to allow the department to use hourly employees help offset the operational impacts of the furlough and remain open.

The City's police and fire safety services will continue to operate as usual, and 9-1-1 and other emergency services will not be interrupted by the city furlough program. Some other offices will remain open for all or part of the General Furlough Closure. Special arrangements will be made for some services to the public to continue during the furlough closure periods, such as utility payments and building inspections.

### **BUDGET/FINANCIAL INFORMATION:**

Estimated labor cost savings from non-safety groups of \$1,844,938 were included in the adopted General Fund budget for Fiscal Year 2012. Concessions from the General Bargaining unit agreement are equivalent to \$1,676,701 Citywide in Fiscal Year 2012, with \$823,574 of that accruing to the General Fund. The total net savings to the City from all these non-safety groups, including the reduce furlough for other employee groups, will be \$3,247,865 Citywide and \$1,564,056 to the General Fund.

Since the actual General Fund concessions to be realized in Fiscal Year 2012 are less than budgeted by \$280,882, the adopted budget will have to be amended for this difference. Staff will return to Council in the next few months with a recommendation for funding the \$280,882 differential.

**ATTACHMENT:** FY 2012 Furlough Closure Calendar

**PREPARED BY:** Kristine Schmidt, Employee Relations Manager

**SUBMITTED BY:** Marcelo Lopez, Assistant City Administrator

**APPROVED BY:** City Administrator's Office

# CITY OF SANTA BARBARA FY 2012 FURLOUGH CLOSURE SCHEDULE

## Attachment

| FACILITY  | OFFICES  | DECEMBER HOLIDAY CLOSURE DATES  | OTHER CLOSURE DATES   |
|---|--|---|---|
| City Hall<br>735 Anacapa Street                       | Administration<br>Mayor & Council Offices<br>City Clerk & Human Resources<br>Finance Administration<br>Billing, Licenses/Permits<br>Payroll & Risk Management<br>Information Systems | <b>Standard Holiday Closure</b><br>• Monday, December 20th, 2011<br>through Monday, January 1, 2012   | <b>Standard Additional Closure Dates</b><br>• Wednesday November 23, 2011   |
| Airport Administration Bldg<br>601 Firestone Road     | Airport Administration   | Standard Holiday Closure Dates  | Standard Additional Closure Dates   |
| Fire Station 1<br>121 W. Carrillo Street              | Fire Administrative Office   | Standard Holiday Closure Dates  | Standard Additional Closure Dates   |
| Parks & Recreation Office<br>620 Laguna Street        | Department Administration  | Standard Holiday Closure Dates  | Standard Additional Closure Dates   |
| Parks Office<br>402 Ortega Street                     | Parks Office   | Standard Holiday Closure Dates  | Standard Additional Closure Dates   |
| P.W. and C.D. Bldg.<br>630 Garden Street              | Community Development Counters<br>Public Works Counters  | Standard Holiday Closure Dates  | Standard Additional Closure Dates   |
| City Attorney's Office<br>740 State #201              | City Attorney Administration   | Standard Holiday Closure Dates  | Standard Additional Closure Dates   |
| Downtown Parking<br>1221 Anacapa Street               | Downtown Parking Admin. Office<br>Environmental Services   | Standard Holiday Closure Dates  | Standard Additional Closure Dates   |
| City Libraries<br>40 E. Anapamu Street                | Library Administration<br>Central Library<br>Eastside Library  | <b>Modified Holiday Closure:</b><br>Saturday December 24 and Sunday,<br>December 25, 2011;<br>Saturday December 31, 2011 and<br>Sunday, January 1, 2012<br>(already closed Mondays) | Standard Additional Closure Dates   |
| County Libraries                                      | Carpinteria, Goleta, Montecito and<br>Solvang Libraries  | Offices Open as Usual   | Offices Open as Usual   |
| Police Department<br>215 E. Figueroa Street           | Police Chief's Offices<br><br>Police Counters  | Offices Open as Usual   | Offices Open as Usual   |
| Waterfront Admin. Bldg<br>132 #A Harbor Way           | Waterfront Administration<br>(Harbor Patrol Counter 24 hrs.)   | Offices Open as Usual   | Offices Open as Usual   |
| Carrillo Recreation Center<br>100 E. Carrillo Street  | Active Adults, Youth Activities,<br>Teen Programs  | Standard Holiday Closure Dates<br>[Except as rented or special programs]  | Standard Additional Closure Dates<br>[Except as rented or special programs] |
| Franklin Community Center<br>1136 E. Montecito Street | Community Center Programs  | Standard Holiday Closure Dates<br>[Except as rented or special programs]  | Standard Additional Closure Dates<br>[Except as rented or special programs] |
| Westside Community Center<br>423 W. Victoria Street   | Community Center Programs  | Standard Holiday Closure Dates<br>[Except as rented or special programs]  | Standard Additional Closure Dates<br>[Except as rented or special programs] |

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| FACILITY  | OFFICES  | DECEMBER HOLIDAY CLOSURE DATES                       | OTHER CLOSURE DATES                                     |
|---|--|--|---|
| Louise Lowry Davis Center<br>1232 De La Vina Street     | <b>Community Center Programs</b>                                     | Standard Holiday Closure Dates<br>[Except as rented] | Standard Additional Closure Dates<br>[Except as rented] |
| Cabrillo Pavilion/Bathhouse<br>1118 East Cabrillo Blvd. | <b>Cultural Arts/Facilities<br/>Aquatics/Sports/Adaptive Program</b> | Standard Holiday Closure Dates<br>[Except as rented] | Standard Additional Closure Dates<br>[Except as rented] |

Closure dates subject to change based on operational needs.

For additional Counter, Office, and Operations Hours: Visit our website at: [www.santabarbaraca.gov](http://www.santabarbaraca.gov) , or call (805) 564-0611.

Date: July 1, 2011